THIS OPINION WAS NOT WRITTEN FOR PUBLICATION

The opinion in support of the decision being entered today (1) was not written for publication in a law journal and (2) is not binding precedent of the Board.

Paper No. 83

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

GEORGE KIPOURAS and ALAN R. FEDERL
Junior Party,[1]

v.

JAMES P. BARNHOUSE and SIMON HSIAO-PAO YU,
Senior Party.[2]

Interference No. 103,029

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[1] Patent 4,775,716, granted October 4, 1988, based on Application 06/862,085, filed May 12, 1986. Accorded the benefit of Application Serial No. 06/685,091, filed December 21, 1984, now U.S. Patent 4,588,773, granted May 13, 1986. Assignor to GE Chemicals, Inc.

[2] Application Serial No. 07/029,499, filed May 13, 1987. Accorded the benefit of Application Serial No. 06/732,541, filed May 10, 1985, now U.S. Patent No. 4,719,263, granted January 12, 1988. Assignor to B.F. Goodrich Co.

FINAL HEARING: September 9, 1999

Before STONER, ***Chief Administrative Patent Judge***, PATE and LIEBERMAN, ***Administrative Patent Judges***.

PATE, ***Administrative Patent Judge***.

FINAL DECISION

This is a final decision in Interference No. 103,029 involving U.S. Patent 4,775,716 to George P. Kipouras and Alan R. Federl[3] as junior party and application Serial No. 07/029,499 to James P. Barnhouse and Simon H. Yu as senior party. The junior party patent is assigned to GE Chemicals, Inc. as the successor in interest to Borg-Warner Chemicals, Inc., while the senior party application is assigned to B. F. Goodrich Co.

Technological Background

[3] Hereinbelow, both parties will be referred to in the singular as Kipouras and Barnhouse, respectively.

The subject matter of the interference deals with the terpolymer of acrylonitrile, butadiene, and styrene commonly called ABS. KR340.[4] In making structural shapes of ABS, such as toolboxes or tote bins, it is desirable to improve the electrical properties of the polymer so that it readily dissipates static electricity. The antistatic properties are improved by blending the ABS with a copolymer elastomer formed of epichlorohydrin and ethylene oxide. This copolymer is referred to by the abbreviation ECH/EO. KR342. The ethylene oxide is the effective antistatic ingredient. KR342. The amount of electrostatic dissipation (ESD) is measured with respect to a military specification that requires a charge of 5000 volts to be dissipated in 2 seconds[5] or less. KR343.

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[4] The Kipouras record and Kipouras exhibits will be abbreviated KR and KX-, respectively, followed by the appropriate number. Likewise, the Barnhouse record and exhibits will be abbreviated BR and BX-.

[5] Giles also testified as to ABS-ECH/EO blends that would dissipate a 5000 volt charge in one second. KR343;

(continued...)

Kipouras' expert Giles testified that to achieve this level of charge dissipation a blend of ABS and ECH/EO must contain at least 12% ethylene oxide (EO) by weight. KR344.[6,7] Senior party inventor Barnhouse was not in agreement with this assertion. Barnhouse was of the

opinion that other factors come into play rather than merely EO concentrations being of singular importance. BR19. Nevertheless, the parties agree that pure ethylene oxide monomer added to ABS does not impart antistatic properties at all. KR626; KR670.

The count in interference reads as follows:

(...continued)
KR346-47; KR352.

[6] We further note that Giles, the junior party's expert witness, stated that normally "50/50 nomenclature would indicate by weight; if it were by molar, it would probably be in the format of 1 to 1 [1:1]." KR348. This opinion is belied by the count which clearly calls for a weight ratio but gives the figure on a 1:1 basis.

[7] Barnhouse testified that antistatic properties were due not only to the percentage of EO in the blended polymer but also how the EO is distributed in the resin. KR663; KR669. Adding more ECH/EO Hydrin elastomer than the ABS resin can absorb creates rubbery domains with improved conductivity. KR663.

Count 1

An antistatic thermoplastic composition comprising:

(A) 80% or more by weight of a copolymer having a rubber substrate and a rigid phase, said rigid phase including an acrylonitrile and a vinyl aromatic compound and being substantially free of non-nitrilated acrylic compounds; and

(B) 20% or less by weight of an epihalohydrin copolymer of an epihalohydrin and an oxirane-containing comonomer, wherein the ratio by weight of said epihalohydrin to said oxirane comonomer is equal to or less than 1:1;

wherein said epihalohydrin copolymer is present in an amount such that said antistatic thermoplastic composition has improved antistatic properties in comparison to said antistatic thermo- plastic composition wherein said epihalohydrin copolymer is absent.

The claims of the parties that correspond to the count

are:

Kipouras et al.:	Claims 1-16
Barnhouse et al.:	Claims 29-36, 38-43, 45-63, 65-67, and 69-73

Issues

Only one preliminary motion was filed during a

preliminary motion period established by the Administrative

Patent Judge (APJ). Junior party Kipouras moved for benefit of the filing date of U.S. Patent No. 4,588,773. The patent was filed for on December 21, 1984 in the names of Alan R. Federl and George P. Kipouras and will be referred to hereinafter as the Federl patent as the parties have done. Decision on the motion was deferred to final hearing. If this motion were to be granted, junior party Kipouras would be the senior party in this interference.

During the testimony period, senior party Barnhouse filed two motions for leave to amend the senior party's preliminary statement to add an allegation of derivation. Decisions on these motions have been deferred to final hearing. If one or both of the motions to amend the preliminary statement of the senior party are granted in this decision, then the senior party's evidence of derivation will be considered in this decision.

According to the Kipouras main brief at page 2, Kipouras does not intend to present a priority case at final hearing. However, the declaration of Emily Richeson, KR693-95,

to the extent that it concerns an execution of the benefit application papers prior to the filing date thereof, to prove a conception prior to any communication from Barnhouse, is in the nature of a priority case. Since Kipouras has disclaimed any priority case at final hearing, we will not consider the Richeson declaration as a priority case.[8]

Additionally, junior party Kipouras has filed a motion[9] under 37 CFR § 1.656(h) to suppress portions of the senior party's evidence. The motion was opposed[10] by the senior party. This motion to suppress will be considered hereinbelow.

Decision on Kipouras Motion to Suppress Evidence

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[8] It appears that the declaration was entered during the junior party's rebuttal testimony period. Since it is improper to introduce evidence pertaining to a party's priority case, i.e., its case-in-chief, during a rebuttal period, we hold the Richeson declaration as ineffective to move the junior party's conception date to antedate the filing date of the benefit application. It is noted that the junior party did not move to reopen its testimony to allow evidence relating to its case-in-chief, nor did it file for permission to enter a belated paper.

[9] Paper No. 76.

[10] Paper No. 78.

As part one of the Kipouras motion to suppress, Kipouras seeks to suppress Barnhouse exhibits BX-5 to BX-41 on the ground of hearsay. Kipouras also objects to the declaration of Marasch appearing at BR33 to BR36 on a similar ground. The cross-examination testimony of Marasch makes clear that the business records exception of the Federal Rules of Evidence §803(6) is inapplicable to these documents, and that these documents and the accompanying Marasch declaration are properly suppressed.

Marasch stated on cross-examination that in about March 1989 he began a program to collect documents that would be useful in a priority contest with respect to Goodrich's Stat-Rite product. BR111-12. The document search lasted approximately one month. BR120. Marasch found documents in the files at the Avon Lake Technical Center under custody of the librarian. However, he also obtained files at Avon Lake from Barnhouse's desk and a technician's desk. BR117. He further obtained documents from the customer files at Goodrich's marketing department, and he reviewed, what we must

regard without more evidence as, the personal files of his predecessor, the former manager of marketing for Stat-Rite. The files from all these sources were commingled and sent to the law department where they were bound. BR119. He could not recall the specific source of any document BR121; BR123; BR128, etc.

Under these conditions, where the specific source of any document is unknown and some documents came from sources such as the inventor's desk or his technician's desk, or from the personal files of Marasch or his predecessor, it is difficult to accept the senior party's argument that these records are records kept in the regular course of business. Without more evidence, we are unwilling to accord the personal files of a witness who did not appear and give testimony or casual files removed from a person's desk the status of a business record. Inasmuch as witness Marasch cannot state specifically where any document came from, and at least some documents cannot be accorded the status of business records, based on their provenance, all proffered Marasch exhibits, BX-

5 to BX-41 will be suppressed as hearsay. Part one of the Kipouras motion to suppress is GRANTED.

With reference to part two of the Kipouras motion to suppress, Kipouras seeks to suppress the declaration of Dr. Yu at BR38-39 with respect to BX-17, BX-18, BX-19, BX-20, BX-23, BX-24, BX-27, BX-29, BX-30, BX-31, BX-32, BX-33, BX-37, and BX-38. The ground alleged by Kipouras is that the data contained in these documents is hearsay as to Yu, inasmuch as Yu did not perform the experiments or polymerizations referenced in these documents. Yu testified that the experiments were performed under his direction

and he specified the starting ingredients (BR195) and what tests were to be performed (BR196; BR198). Yu also testified that it was customary at Goodrich for persons to refer to the work of technicians as work done by the lead scientist. BR198. Be that as it may, Kipouras is correct in arguing that these documents represent hearsay, in that Yu did not have firsthand knowledge of the experiments. Accordingly, with respect to the exhibits listed above, and the accompanying

declaration pages, BR38-39, the Kipouras motion to suppress is GRANTED.

With reference to the third portion of the Kipouras motion to suppress, Kipouras moves to suppress a group of U.S. Patents BX-42 to BX-47, inclusive, as hearsay. Barnhouse, in opposition, states that these patents are offered to show that persons of ordinary skill in the art recognize that Hydrin 200 refers to a copolymer of ECH/EO in a 1:1 molar ratio. We agree with Kipouras that the documents are hearsay, when offered for this reason. While we will suppress these documents for this purpose, we note that there is direct testimony regarding the composition of Hydrin 200. KR13. With respect to BX-42 through BX-47, the motion to suppress is GRANTED.

With respect to the fourth portion of the Kipouras motion to suppress, BX-3 is suppressed for the reasons given with respect to BX-42 through BX-47, above. The motion to suppress BX-3 is GRANTED.

Finally Kipouras moves to withdraw KX-5 through KX-12, KX-5A through KX-12A, KX-16, and KX-17. Dr. Yu admitted that he did not perform the underlying polymerizations.

Accordingly, the Kipouras motion to withdraw these exhibits is GRANTED.

The Kipouras motion to suppress has been GRANTED in its entirety.

Decision on Kipouras Motion for Benefit

Benefit for priority purposes is determined with respect to the count. A party is entitled to the benefit of an earlier filed application for priority purposes if he or she is in compliance with 35 U.S.C. § 112, first paragraph, with respect to ***at least one species within the count***. ***Mori v. Costain,*** 214 USPQ 295, 297 (Bd. Pat. Int. 1981), ***citing Weil v. Fritz,*** 572 F.2d 856, 865 n.16, 196 USPQ 600, 608-09 n.16 (CCPA 1978); ***Hunt v. Treppschuh,*** 523 F.2d 1386, 1389, 187 USPQ 426, 429 (CCPA 1975); and ***Den Beste v. Martin,*** 252 F.2d 302, 305, 116 USPQ 584, 586 (CCPA 1958).

The earlier application must contain a written description of the subject matter of the interference count, and

must meet the enablement requirement. ***Hyatt v. Boone***, 146 F.3d 1348, 1352, 47 USPQ2d 1128, 1130 (Fed. Cir. 1998), ***cert. denied***, 525 U.S. 1141 (1999), ***quoting Fiers v. Revel,*** 984 F.2d 1164, 1170, 25 USPQ2d 1601, 1606 (Fed. Cir. 1993)(section 112 paragraph 1 must be met by the earlier application). For an earlier-filed application to serve as constructive reduction to practice of the subject matter of an interference count, the applicant must describe the subject matter of the count in terms that establish that he was in possession of the later-claimed invention, including all of the elements and limitations presented in the count, at the time of the earlier filing. ***Hyatt***, 146 F.3d at 1353, 47 USPQ2d at 1131. When an explicit limitation in an interference count is not present in the written description whose benefit is sought, it must be shown that a person of ordinary skill would have understood, at the time the patent application was filed, that the description requires that limitation. ***Id***. It is insufficient as written description, for purposes of establishing priority of invention, to provide a specification that does not unambiguously describe all limitations of the count. ***Id***.

The written description requirement is a fact-specific issue. ***See, e.g., In re Wertheim***, 541 F.2d 257, 262, 191 USPQ

90, 96 (CCPA 1976)("The primary consideration is ***factual*** and depends on the nature of the invention and the amount of knowledge imparted to those skilled in the art by the disclosure"); and ***Vas-Cath Inc. v. Mahurkar,*** 935 F.2d 1555, 1562, 19 USPQ2d 1111, 1116 (Fed. Cir 1991). As with all preliminary motions, the burden is on the moving party--in this instance Kipouras--to prove entitlement to benefit by a preponderance of the evidence. ***See Behr v. Talbott***, 27 USPQ2d 1401, 1405 (Bd. Pat. App. & Int. 1992); ***Kubota v. Shibuya,*** 999 F.2d 517, 522, 27 USPQ2d 1418, 1422 (Fed. Cir. 1993).

Kipouras has moved for benefit of the filing date of the Federl Patent No. 4,588,773. The question presented is whether one of ordinary skill would have understood that the specific embodiment examples of columns 4 and 5 of the patent are embodiments within the scope of the count in this

interference. The following represents our findings with respect to the benefit issue.

The Federl disclosure at column 4, lines 44-46, reads as follows:

> The epihalohydrin copolymer considered in these examples is a 50/50 copolymer of epichlorohydrin and ethylene oxide.

The parties agree that if the 50/50 copolymer is on a weight basis, then the disclosure of the Federl patent is within the scope of the count. However, as noted above, the Federl patent is notably silent as to whether the specific embodiment contains a copolymer that is 50:50 ECH/EO by weight or 50:50 ECH/EO on a molar basis.

We initially note that all other discussion in the Federl patent is quantified as on a weight basis. Additionally, in column 4 at line 24, it is disclosed that the preferred epihalohydrin (EHH)-alkylene oxide (AO) ratio is a 60% to 40% ratio on a weight basis of EHH to AO. Note that a 50:50 or 1:1 molar copolymer of ECH/EO lies outside this

preferred range.[11] These two findings support a conclusion that the evidence intrinsic to the Federl disclosure would have led one of ordinary skill to understand that the specific embodiment is 50:50 ECH/EO on a weight basis.

Furthermore, witnesses Giles, Barnhouse and Yu all agreed that, based on the above-noted observation, i.e., that the text of the Federl patent referred only to weight ratios, they would interpret the specific embodiment of the Federl patent as

referring to a copolymer that was 50:50 by weight. KR348-49; KR640; KR142, respectively. While we recognize that the test for descriptive support is an objective standard that inquires not what any actual witness would have understood from a disclosure but what a hypothetical person of ordinary skill would have understood, this testimony provides important evidence that one of ordinary skill would have appreciated that the specific embodiment was on a weight basis.

[11] 1:1 molar ECH/EO copolymer is 68/32 ECH/EO by weight. KR344.

As for other extrinsic evidence, Giles, Kipouras' expert, testified that it was his belief that the test data recorded in KX-15 was the source for the Federl patent's Table 1. KR355-56. In our view, this is speculation on the part of Giles, and this testimony is entitled to but little weight. Giles also testified that the 50/50 ECH/EO copolymer of Table 1 "has to be" 50/50 by weight to achieve the discharge amount reported in Table 1. KR349-50. Barnhouse, who reviewed the data, was astounded at the amount of discharge, but agreed that the amount of discharge was more likely attributable to a 50/50 weight ratio of copolymer of ECH/EO rather than a molar ratio in the ECH/EO copolymer. KR642-43. However, Barnhouse was skeptical that even a 50/50 weight copolymer of ECH/EO would give this amount of discharge, and he was of the view that this amount of

discharge was due to synergistic effects with other ingredients. KR643-645. Based on Barnhouse's reservations, which we credit, we are of the view that the testimony of Giles with respect to the amount of ECH/EO in the Federl examples is entitled to some weight, but is not so probative

as to require that we hold that Federl has descriptive support for ECH/EO at 50:50 weight percent.

The extrinsic evidence that party Barnhouse points to is in the file wrapper of the Federl patent. On May 27, 1986, just two weeks after the patent issued, the Federl patent inventors filed for a certificate of correction for the Federl patent. The certificate was filed under the provisions of 37 CFR § 1.323 and sought to correct column 4, at line 45, by the addition of the text --(molar basis)--. If corrected, the text of column 4 that refers to the specific embodiment would have read as follows:

> The epihalohydrin copolymer considered in these examples is a 50/50 (molar basis) copolymer of epichlorohydrin and ethylene oxide.[12]

As noted above, the parties agree that the text, if corrected, would have stated that the specific embodiment of the Federl patent lay outside the scope of the count. The certificate cover letter was signed by Emily Richeson, counsel for the assignee. The certificate was refused entry by the examining

[12] Federl patent file wrapper Paper No. 7.

group.[13] A Supervisory Patent Examiner (SPE) in the group found that there was no descriptive support for the change. Apparently, the SPE was of the view that the intrinsic evidence in the specification would have more properly supported an interpretation that the example was directed to a copolymer of ECH/EO that was 50:50 on a weight basis.

Barnhouse argues that the request for a certificate of correction is an admission that the example in the Federl specification was 50:50 ECH/EO on a molar basis. Barnhouse states that such an admission should be overturned only by clear and convincing evidence. Barnhouse posits a situation wherein in January 1986 the Federl application was in Issue Branch awaiting payment of the issue fee when the Non-Analysis Agreement[14] expired. At that time, Barnhouse speculates, Federl and Kipouras were free to analyze the Hydrin 200 samples. Or perhaps they inquired of Goodrich personnel the composition of the Hydrin 200. At any rate, they moved to change the disclosure of the Federl

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[13] Federl patent file wrapper Paper No. 8.

[14] See page 21, ***infra***.

patent to match their experiments. While we do not regard the request for the certificate of correction as an admission, we view it as strong circumstantial evidence that the scenario put forward by Barnhouse may have indeed transpired. For whatever reason, the inventors, with firsthand knowledge, i.e., Federl and Kipouras, did not testify. Richeson had no recollection of the circumstances surrounding the filing of the request.

It is our finding that this extrinsic evidence regarding the certificate is highly suggestive of the scenario that Barnhouse proposes. Nonetheless, in this situation, we believe, in agreement with the examining group, that the intrinsic evidence from the Federl patent is sufficient to have conveyed to one of ordinary skill that Federl and Kipouras were in possession of the subject matter of an ECH/EO copolymer for incorporation in an ABS, wherein the ECH/EO were in a 50:50 ratio on a weight basis. Having weighed all the evidence, we ***GRANT*** Kipouras' motion for benefit. For consistency, we will continue to refer to Kipouras as junior party and Barnhouse as senior party, but this decision will

reflect Kipouras' senior party status with respect to burden of proof and in the judgment.[15]

Decisions on Motions to Amend Barnhouse Preliminary Statement

As noted above, party Barnhouse has filed two motions[16] under 37 CFR § 1.635 for leave to amend its preliminary statement pursuant to 37 CFR § 1.628. These motions to amend are opposed by the junior party. The decisions on the motions to amend the preliminary statement were deferred to final hearing.

The Interference Rules, specifically 37 CFR § 1.628, and its predecessors have been promulgated to allow the Patent and Trademark Office (PTO) to permit an amendment of a party's preliminary statement arising through inadvertence or mistake, to permit and not thwart justice. ***See Myers v. Myers***, 4 F.2d

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[15] It is not necessary to redeclare an interference to shift senior party status to a former junior party. ***Dinkel v. D'Olier***, 1904 C.D. 572, 573.

[16] Papers No. 51 and 65, henceforth called first and second motions to amend the Barnhouse preliminary statement, respectively.

948, 951, 1925 Dec. Comm'r Pats. 245, 251 (D.C. Cir 1925). A satisfactory showing under the rule must include evidence that the party was not negligent in preparing the original statement and the error could not have been avoided by the exercise of due care. See Rivise and Caesar, ***Interference Law and Practice*** §100, Vol. I, p. 278 (Michie Co., 1940). In the more recently reported cases, the requirement outlined above has been followed, and the rule and its predecessor have been construed strictly. In fact,

the predecessor to 37 CFR § 1.628 (37 CFR § 1.222) has been interpreted to "require a showing demonstrating that the moving party was not negligent in preparing the original preliminary statement and that the error could not have been avoided by the
exercise of due care" if the motion were "filed after the preliminary statements were approved and their contents known to the parties." ***Fleming v. Bosch***, 181 USPQ 761, 763 (Bd. Pat. Int. 1973). ***Cf. Chan v. Kunz***, 231 USPQ 462, 471 (Bd.

Pat. Int. 1984)(Motion to amend preliminary statement granted based on evidence of the counsel's care in following interference rules by conforming original preliminary statement to proofs for each count).

In this instance, the first motion to permit the amendment seeks to have the preliminary statement of the senior party amended to include the allegation of derivation by the junior party from the senior party. As we understand the relevant time frame, the senior party testimony period began on November 1, 1993 and was set to conclude on January 1, 1994. The motion to amend the preliminary statement was made for the first time on December 23, 1993, toward the end of the senior party’s testimony period and after inventors Yu and Barnhouse had been deposed on September 13 and 28, 1993, respectively. Thus, the

junior party’s argument that the request comes extremely late in the proceedings has some merit. We would be inclined to deny the motion based merely on the lateness thereof.

However, the senior party points to several circumstances, that even with the exercise of due care, would

have prevented the senior party from developing evidence to support an allegation of derivation before the date on which the request to amend the preliminary statement was filed. First, the senior party points to the stipulations that were filed by the parties on December 23, 1993. These stipulations were developed and signed by the parties on December 16 and 17, 1993 in order to obviate a motion for additional discovery filed by Barnhouse and withdrawn concurrently with the filing of the stipulations. According to Barnhouse, the stipulations represent the first concrete evidence that the samples used by Federl and Kipouras in the set(s) of experiments as reported in comparative examples C1 to C5 and C10 and as examples 6-9 of U.S. Patent 4,588,773 and the set of experiments reported in table VI in KX-15 were the copolymer samples furnished to Borg-Warner via Barnhouse from Goodrich.

The following represents our findings of fact with regard to the motions to amend the preliminary statement. Beginning about 18 months before the filing of the Federl application, Barnhouse was supplying ECH/EO to Federl and

Kipouras under a non-analysis agreement. GD¶6.[17] The agreement specified that the samples were provided in confidence and were for testing and evaluation purposes only. No other use of the samples was permitted[18] under the agreement, and the agreement was to remain in effect for three years from its inception. GD¶6. When the original Barnhouse preliminary statement was filed, Barnhouse had every reason to suspect that the agreement had been abided by, and the ECH/EO referred to in the Federl application was presumed by the party Barnhouse to have been from a source other than Barnhouse and Goodrich. GD¶7. This appears to have been a reasonable assumption since the Federl patent inventors would not have known the composition of the ECH/EO from

[17] The Green declaration (Paper No. 53, December 23, 1993) filed in support of the first motion to amend the preliminary statement will be abbreviated GD.

[18] According to Green, this would include use as the basis of a patent application, a construction of the agreement that appears reasonable on its face. GD¶8.

Goodrich, if they were in compliance with the agreement.[19] With

the filing of the stipulations, however, Barnhouse had clear evidence that Barnhouse and Goodrich had been the source of the ECH/EO copolymer, providing for the first time evidence supportive of a claim of derivation. GD¶¶7, 8.

Kipouras argues that where Kipouras obtained the ECH/EO copolymer is irrelevant to the issue of derivation. But conveying the samples to Borg-Warner and the subsequent use of the composition thereof in the Federl patent, if

[19] An interference before the Board is not a proper forum to resolve contract disputes. Nonetheless, in an instance where one party apparently has breached an agreement to the detriment of the other party, the interest of justice might rightly require that a belated showing or pleading be declared timely. The procedures of the PTO should be used to permit justice, rather than to thwart justice. ***Fleming,*** 181 USPQ at 763. Here, we are faced with the remarkable situation that there is uncontroverted evidence of an agreement between the parties not to analyze or otherwise use the samples except for testing and evaluation. GD¶6. And there is a stipulation that Goodrich was the source of the samples. Yet, Borg-Warner filed a patent application before the expiration of the agreement which disclosed the composition of the samples. It is our view that justice requires the two amendments to the Barnhouse preliminary statement.

proven, clearly constitutes a communication under the case law of derivation.

We are also mindful that an opposing party may delay, by various procedural maneuvers, a request for additional discovery or stipulations to make the time period between the opening of the preliminary statements and the filing of a request to amend a preliminary statement unduly long. We have no evidence that such a situation has occurred in this case. However, the fact that stipulations were filed, which the senior

party states necessitated the request to amend the preliminary statement, blunts the opposition's arguments based merely on the length of time that has passed after the preliminary statements have been opened or that certain witnesses have already been deposed.

With these facts in mind, it is our conclusion, that Barnhouse was not negligent in preparing the original preliminary statement, and that due care was exercised in the preparation thereof. We further are of the view that even with the exercise of this due care, the omission of the claim

of derivation could not have been avoided. Accordingly, we grant both of the senior party Barnhouse's motions to amend the preliminary statement and we permit the correction of Barnhouse's preliminary statement to include the allegation of derivation, in the interest of justice. The Barnhouse motions to amend the preliminary statement to include an allegation of derivation are GRANTED.

Senior Party Case for Derivation

Whether in senior party status or junior party status, the burden of proof of party Barnhouse with respect to derivation is by a preponderance of the evidence. ***Hedgewick v. Akers***, 497 F.2d 905, 908, 182 USPQ 167, 169 (CCPA 1974). "While the

ultimate question of whether a patentee derived an invention from another is one of fact, the determination of whether there was a prior conception is a question of law, which is

based upon subsidiary factual findings [citations omitted]." ***Price v. Symsek***, 988 F.2d 1187, 1190, 26 USPQ2d 1031, 1033 (Fed. Cir. 1993).

The following represents our findings of fact with respect to senior party Barnhouse's arguments concerning derivation. According to Barnhouse, in early 1983, Borg-Warner "expressed an interest to us [Goodrich][for us] to offer ideas and suggestions on improving electrical conductivity of ABS compounds." KR610. Goodrich responded to contacts between the two companies "pursuing their [Borg-Warner's] request for assistance in antistat[20] development for ABS" by supplying Borg-Warner with both stock samples of ECH/EO copolymer and specially formulated samples of ECH/EO copolymer. KR616; Stip.¶2[21]. Hydrin 200 was Goodrich's trade name for a

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[20] "Antistat" denotes antistatic or static electricity dissipating materials.

[21] The stipulated facts are found in the Kipouras Record at 718-20 and in the Barnhouse record at 224-26. The Stipulated facts are abbreviated Stip. followed by the appropriate paragraph.

commercially available copolymer of ECH/EO where the epichloro- hydrin and the ethylene oxide are present in a 1:1 molar ratio. KR616-17. Barnhouse gave Borg-Warner the Hydrin 200 first and thereafter gave Borg-Warner samples of 50/50 by weight ECH/EO copolymer which he may have identified to Borg-Warner personnel as Hydrin 250. KR617; KR623; Stip.¶2. Barnhouse never divulged the composition of the samples to Borg-Warner, and to the best of his knowledge they did not know the compositions of the samples. KR651. In fact, Barnhouse preblended promising ECH/EO copolymers with Blendex 131, an ABS resin, before sending them to Borg-Warner in order to make it more complicated for Borg-Warner to determine the exact composition of the ECH/EO copolymer. KR660. No documentary evidence has been found that Federl, Kipouras or anyone else at Borg-Warner knew the compositions of the copolymer samples Barnhouse supplied. Stip.¶2. Finally, exactly what copolymer composition samples to provide to Borg-Warner for blending with their ABS terpolymer was entirely Barnhouse’s choice. KR668.

The contacts between Barnhouse and Borg-Warner personnel, primarily Federl and Kipouras, started at least as early as June 1983, and Barnhouse had supplied samples to Borg- Warner prior to May 31, 1984. KR622; Stip.¶2; KX-15. Barnhouse

continued to supply samples to Borg-Warner after May 31, 1984. KR658.

To prove derivation, a party must show (1) prior conception of the subject matter of the count and (2) communication of the conception to the opponent. ***Price***, 988 F.2d at 1190, 26 USPQ2d at 1033; ***Hedgewick***, 497 F.2d at 908, 182 USPQ at 169. Furthermore, the party must show that the communicated subject matter would have been sufficient to enable one of ordinary skill in the art to construct and successfully operate the subject matter of the count. ***Mead v. McKirnan***, 585 F.2d 504, 507, 199 USPQ 513, 515 (CCPA 1978).

Conception has been defined as the formation, in the mind of the inventor, of a definite and permanent idea of the

complete and operative invention. ***Coleman v. Dines,*** 754 F.2d 353, 359, 224 USPQ 857, 862 (Fed. Cir. 1985)(quoting ***Gunter v. Stream***, 573 F.2d 77, 80, 197 USPQ 482, 484 (CCPA 1978)). It is settled that in establishing conception a party must show every feature recited in the count, and that every limitation in the count must have been known at the time of the alleged conception. ***Coleman***, 754 F.2d at 359, 224 USPQ at 862.

Thus, the test for conception is whether the inventor had an idea that was definite and permanent enough that one

skilled in the art could understand the invention. ***Burroughs Wellcome Co. v. Barr Lab. Inc.,*** 40 F.3d 1223, 1228, 32 USPQ2d 1915, 1919 (Fed. Cir. 1994), ***cert. denied***, 515 U.S. 1130 (1995) and ***cert. denied***, 516 U.S. 1070 (1996). An idea is definite and permanent when the inventor has a specific, settled idea, a particular solution to the problem at hand, not just a general goal or research plan he hopes to pursue. ***Id. See, also Fiers,*** 984 F.2d at 1169, 25 USPQ2d at 1605; ***Amgen, Inc. v. Chugai Pharmaceutical Co.,*** 927 F.2d 1200, 1206,

18 USPQ2d 1016, 1021 (Fed. Cir. 1989), ***cert. denied***, 502 U.S. 856 (1991)(no conception of chemical compound based solely on its biological activity). The conception analysis necessarily turns on the inventor's ability to describe his invention with particularity. Until he can do so, he cannot prove possession of the complete mental picture of the invention. These rules ensure that patent rights attach only when an idea is so far developed that the inventor can point to a definite, particular invention. ***Burroughs***, 40 F.3d at 1228, 32 USPQ2d at 1919.

Neither conception nor reduction to practice may be established by the uncorroborated testimony of the inventor. ***See Tomecek v. Stimpson,*** 513 F.2d 614, 619, 185 USPQ 235, 239 (CCPA

1975). The inventor's testimony, standing alone, is insufficient
to prove conception--some form of corroboration must be shown. ***See Price***, 988 F.2d at 1194, 26 USPQ2d at 1036. While the

"rule of reason" originally developed with respect to reduction to practice has been extended to the corroboration required for
proof of conception, the rule does not dispense with the requirement of some evidence of independent corroboration. ***See Coleman***, 754 F.2d at 360, 224 USPQ at 862. As the CCPA stated in ***Reese v. Hurst,*** 661 F.2d 1222, 1225, 211 USPQ 936, 940 (CCPA 1981): "[the] adoption of the 'rule of reason' has not altered the requirement that evidence of corroboration must not depend solely on the inventor himself." There must be evidence independent from the inventor corroborating the conception.

Additionally, we acknowledge that there is no single formula that must be followed in proving corroboration. An evaluation of all pertinent evidence must be made so that a sound determination of the credibility of the inventor's story may be reached. ***Price***, 988 F.2d at 1195, 26 USPQ2d at 1037. Independent corroboration may consist of testimony of a witness, other than the inventor, to the actual reduction to practice or it may consist of evidence of surrounding facts

and circumstances independent of information received from the inventor. ***Reese***,

661 F.2d at 1225, 211 USPQ at 940. ***See also, for conception,*** Rivise and Caesar, ***Interference Law and Practice***, Vol. I, § 126 and Vol. III, § 542 (Michie Co. 1947) ***and for reduction to practice,*** Vol. III §§ 543 and 544.

It is apparent to us that Barnhouse and Yu at Goodrich conceived of the invention and communicated that conception to Federl and Kipouras at Borg-Warner prior to May 31, 1984. Only Barnhouse had a complete understanding of the invention that included every feature thereof including the composition of the ECH/EO copolymer. Only Barnhouse could describe the invention with particularity. ***Burroughs***, 40 F.3d at 1228, 32 USPQ2d at 1919. Federl and Kipouras by stipulation have admitted that no evidence exists that establishes that they knew the composi- tion(s) of the copolymer part of the blended ABS before May 31, 1984. Barnhouse’s testimony regarding conception and communi- cation

is corroborated by the stipulations as noted in our findings of fact. It is our finding that Federl and Kipouras approached Goodrich with a problem at hand, a mere general goal, or research plan they hoped to pursue. ***Burroughs***, 40 F.3d at 1228, 32 USPQ2d at 1919. Barnhouse at Goodrich solved the problem, but did not intend to disclose the specifics or particulars of the successful copolymer to Borg-Warner. That

Federl and Kipouras ascertained the composition of the ECH/EO copolymer, whether by analysis or otherwise, from the samples Barnhouse conveyed to them, in no manner changes the fact that Federl and Kipouras have derived the invention from Barnhouse and

Yu. Furthermore, the fact that Federl and Kipouras are entitled to an earlier effective filing date is of no avail to them, since Barnhouse has established derivation by a preponderance of the evidence.[22] Accordingly, we will enter

[22] Once derivation is shown, it is immaterial who reduced to practice first. ***Tolle v. Starkey***, 255 F.2d 935, 938, 118 USPQ 292, 296 (CCPA 1958). ***See also Boyd v. Tamutus***, 1 USPQ2d 2080, 2083 n.4 (Bd. Pat. App. Int. 1986).

judgment on the ground of originality of invention in favor of Barnhouse and Yu.

Kipouras argues in his main brief that Barnhouse did not suggest to party Kipouras what proportion of copolymer versus ABS to use nor how to blend or compound the materials. However, the record is clear that Barnhouse was having special blends of ECH/EO copolymer made expressly for blending in ABS with the desired anti-static property in mind. BR21-22; KR660. There- fore, we do not agree that Barnhouse was not in possession of the amount of ABS to be mixed with the ECH/EO copolymer.

Secondly, given a known composition of ECH/EO copolymer, in our view, the amount of ABS to blend therewith, and

the appropriate blending techniques to achieve the desired result--a well documented antistatic specification--were well within the skill of the ordinary artisan. Note that the converse is not true. Kipouras and Federl never had a conception of the

invention in the time frame at issue, because they, by contract, never knew the composition of the "secret" copolymer ingredient. BR13; GD¶6; Stip¶2.

Finally, Kipouras argues that it was Kipouras that discovered the exact formulation of ABS to ECH/EO copolymer. We have no evidence of record one way or the other on this point.[23] Even if this were established by evidence, in our view this issue pertains to reduction to practice rather than conception or derivation. We see it as simply the exercise of the normal skill expected of an ordinary chemist, which would not have involved any inventive acts on the part of Kipouras. The necessity of a certain amount of selection of sizes of parts, materials, etc.,

[23] We note that the Kipouras brief cites to the record for this proposition, but only to show that Barnhouse was "amazed" at the results. Any testimony about what Federl and Kipouras did which comes from Barnhouse is clearly speculative. Federl and Kipouras have not testified, and they did not put on a priority case. Inasmuch as they have eschewed priority evidence, it is difficult to see how it can now be argued at final that they contributed to a conception.

along predetermined lines does not indicate contribution to the conception of an invention. ***See Bac v. Loomis,*** 252 F.2d 571, 577, 117 USPQ 29, 34 (CCPA 1958)(LORAN patent case); ***Fredkin v. Irasek,*** 397 F.2d 342, 158 USPQ 280 (CCPA), ***cert. denied***, 393 U.S. 980 (1968) and ***Sewell***, 21 F.3d at 415, 30 USPQ2d at 1358.

As a further factor with regard to derivation, we are aware of a line of cases that might be called the unrebutted derivation cases. ***See Rhodes v. Dugan,*** 212 USPQ 699 (Bd. Pat. Int. 1981) ***following Tolle***, 255 F.2d 935, 118 USPQ 292. In these cases, the unrebutted testimony regarding derivation raises the presumption of its accuracy. ***See also, Hedgewick***, 497 F.2d at 908, n.3, 182 USPQ at 169, n.3 and Rivise and Caesar, ***Inter- ference Law and Practice,*** Vol. IV, §§649 and 657 (Michie Co., 1940). We merely mention in passing that Federl and Kipouras have not testified,[24] and

[24] We note that junior party Kipouras did not request further testimony when senior party Barnhouse moved to amend the Barnhouse preliminary statement to allege derivation. Additional discovery has often been granted where derivation has been alleged. ***See, for example, Jurek v. Foote***, 220 USPQ 888, 889 (Bd. Pat. Int. 1982).

(continued...)

therefore, similar to the previously cited cases, the evidence of derivation stands unrebutted by any evidence from Kipouras and Federl.

As noted above, while we have determined that Barnhouse and Yu conceived of the invention and communicated that conception to Borg-Warner prior to May 31. 1984, Barnhouse is restricted by preliminary statement to a date prior to December 17, 1984. Accordingly, we find that the invention was derived from party Barnhouse on December 16, 1984. As we have noted above, once derivation has been shown, it is immaterial who reduced to practice first. Therefore, now senior party Kipouras' benefit date of December 21, 1984 is unavailing. Judgment on the ground of originality of invention will be entered in favor of Barnhouse hereinbelow.

Judgment

Judgment in Interference No. 103,029 is entered against the now senior party, George P. Kipouras and Alan R.

[24](...continued)

Federl, on the ground of originality. George P. Kipouras and Alan R. Federl, are not entitled to their patent containing claims 1-16, which claims correspond to the count in interference. Judgment is entered in favor of James P. Barnhouse and Simon Hsiao-Pao Yu, the now junior party. James P. Barnhouse and Simon Hsiao-Pao Yu are entitled to a patent containing claims 29-36, 38-43, 45-63,

65-67, and 69-73, which claims correspond to the count in interference.

BRUCE H. STONER, JR.)
Chief Administrative Patent Judge)
)
)
) BOARD OF PATENT
WILLIAM F. PATE, III) APPEALS AND
Administrative Patent Judge) INTERFERENCES
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Interference No. 103,029

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